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**IOWA UTILITIES BOARD**  
**Customer Service Section**

Docket No.: FCU-2013-0007 (C-2013-0025)

Utility: Windstream of the Midwest,  
Inc., MTC Technologies, MCI  
Communications Services, Inc.

File Date/Due Date: March 1, 2013

Memo Date: June 11, 2013

**TO:** The Board

**FROM:** Tara Ganpat-Puffett, Larry Stevens, and Mary Whitman

**SUBJECT:** Call Completion Issues

**I. Background**

On May 9, 2013, the Office of Consumer Advocate (OCA) requested that the Iowa Utilities Board (IUB or Board) docket a rural call completion complaint (C-2013-0025) for formal investigation.

The complaint was filed on March 1, 2013, by Carolyn Frahm of Mount Pleasant, Iowa. Ms. Frahm stated that previously she had Mediacom telephone service and had problems calling from her home number, 319-385-1782, to her friend's number, 319-394-3081, at a residence in Mediapolis, Iowa. Ms. Frahm stated that on February 6, 2013, she changed her telephone provider to Windstream of the Midwest, Inc. (Windstream) and she continued to have problems completing calls to 319-394-3081. Ms. Frahm stated she has spent hours on the phone attempting to call this long distance number without success. The problem started in August 2012, and is ongoing. Ms. Frahm stated in her complaint that her friend in Mediapolis is widowed and has health problems and they call to check in with each other on a daily basis, but Ms. Frahm encounters difficulties reaching her friend. Ms. Frahm stated that she could not reach her friend's telephone number for four days on the Windstream line, but her friend could call her. Also, Ms. Frahm noted that on March 1, 2013, she attempted to call the Mediapolis local phone company, MTC Technologies (MTC), at 319-394-3456, and the call would not complete. Ms. Frahm stated she reported the problem to Windstream and the problem is still not resolved. Ms. Frahm also noted that Windstream is routing the calls using a cheaper service and it is not working, and her next step is to ask Windstream to re-route her calls. Ms. Frahm states it is not right for Windstream to advertise long-distance service and then not provide that service.

Windstream responded to the complaint on March 25, 2013, stating that Ms. Frahm established local and long-distance service with Windstream on February 6, 2013, for telephone number 319-385-1782. According to Windstream, on February 27, 2013, Ms. Frahm called Windstream's repair department to report that she was unable to complete calls to 319-394-3081, from her home telephone number. Windstream opened a trouble ticket and tested Ms. Frahm's telephone line. Windstream's tester was able to successfully complete the calls from the switch. Windstream also stated that the tester called Ms. Frahm and asked her to try dialing the number again and Ms. Frahm confirmed that she was able to complete the call to 319-394-3081.

Windstream stated that Ms. Frahm called Windstream again on March 1, 2013, to report she was unable to complete calls to 319-394-3081 from her home telephone number. Another trouble ticket was created, Windstream tested the line, and the call was completed successfully. Ms. Frahm was asked to try dialing the number again and she reported that the call completed without issue.

According to Windstream's records, Ms. Frahm called again on March 7, 2013, to report her calls were not completing to 319-394-3081. At this time, Windstream issued a trouble ticket and enlisted the help of MCI Communications Services, Inc. (Verizon), the underlying carrier for Ms. Frahm's out-of-territory (OTT) account, to ensure there were no routing problems on Verizon's end.

Windstream stated it called Ms. Frahm to provide an update and left a message on her voicemail. Windstream also noted that on March 8, 2013, it called Ms. Frahm to provide an update and to ensure she was able to complete the calls in question, but Ms. Frahm was not available and Windstream was unable to leave a message. Windstream further noted Ms. Frahm had not called to report any further problems calling the 319-394-3081 number from her home.

On March 25, 2013, Ms. Frahm replied to Windstream's response. Ms. Frahm reported that Windstream did leave her a message, but because she was with her mother in the hospital for a week and she had no problems with calls completing at that time, she did not respond to Windstream.

Regarding the last trouble ticket (March 7, 2013), Ms. Frahm stated that she told the Windstream representative to change the routing on her phone. Ms. Frahm said she knew this was an option and stated that since the call routing was changed, she has not had any trouble calling 319-394-3081. According to Ms. Frahm, Windstream "chooses the cheapest carrier they can to route calls and it does not work." Also, Ms. Frahm stated, "since they changed I have had no problems. They try to blame it on the small telephone companies . . ."

On March 25, 2013, staff requested that Windstream provide the trouble tickets for Ms. Frahm's phone. Windstream responded on March 29, 2013, providing the same information it had provided on its initial response on March 25, 2013.

On April 1, 2013, staff forwarded the complaint to Verizon and MTC. MTC is the end user's telephone company and provides local service to Mediapolis. MTC stated that on March 1, 2013, Ms. Frahm spoke with its office manager about the trouble she was having completing a call to 319-394-3081 from her home landline number of 319-385-1782. MTC stated it made a test call to 319-394-3081 from its landline of 319- 394-3456 which was a local call and the call completed properly.

MTC stated Ms. Frahm was asked to speak to her long-distance provider and she also expressed her frustration with her previous carrier, Mediacom. MTC stated that it explained that long-distance carriers could make route changes that may alleviate the problem (because as a reseller of long-distance service, MTC can make these changes for its customers and in most cases correct the problem). MTC noted that since it was able to call 319-394-3081 locally, the problem was more than likely on the originating end of the call and encouraged Ms. Frahm to contact her long-distance telephone provider, Windstream.

MTC also stated it explained to Ms. Frahm the Board's complaint procedure she could use to report the call completion problems she had experienced and provided a link to the Board's Web site. MTC also stated that Ms. Frahm informed them that she talked with Windstream's technician and got the service rerouted and was able to talk with the end user at 319-394-3081. MTC stated it has not heard from Ms. Frahm with further issues.

On April 9, 2013, staff asked MTC to respond to Windstream's statement that the Mediapolis area "is having several problems because the area recently moved their service to fiber and is now a VoIP area." MTC responded on April 9, 2013, stating:

Our fiber project is going very well. I must point out that not only is [the Mediapolis number in question] NOT on fiber but MTC does not nor has ever offered VoIP to any of its customers. We have no VoIP. The issues our customers are having seem to be calls from outside our exchanges carried by providers like Windstream that never get here.

MTC stated that "'least-cost-routing' may be part of the problem" and noted many other telephone companies are having the same issue.

Verizon responded on April 25, 2013, stating it provides the underlying long-distance network for Windstream on its wholesale carrier identification code (CIC) of 0555. According to Verizon, based on Windstream's response, it appears that Windstream utilizes more than one wholesaler to provide long-distance service to its customers.

Verizon stated that on February 8, 2013, Verizon received an electronic order from Windstream to add telephone number 319-385-1782 to the Verizon reseller account. Also, Verizon stated another order was received from Windstream duplicating this action on March 3, 2013, possibly indicating there was an issue with the original switch to the 0555 network. Verizon further stated that according to Windstream's response to the complaint, the customer has not experienced the same problems since the March 3, 2013, change to the 0555 wholesale CIC.

On April 26, 2013, staff issued a proposed resolution recounting that Ms. Frahm reported to Windstream three occasions when her calls to 319-394-3081 were not completing. Staff also reviewed Windstream's testing of Ms. Frahm's telephone line on each of the repair tickets, and noted that the calls to 319-394-3081 were completed each time. Staff noted that according to Verizon's response, Windstream uses more than one wholesale provider to provide long-distance service. Verizon states since the long-distance service was changed to carrier code 0555 (Verizon) as the underlying long-distance provider, Ms. Frahm has not reported further problems.

Staff also noted according to Ms. Frahm's comments on March 25, 2013, the service was working properly with no further issues when calling 319-394-3081.

On May 9, 2013, OCA filed a request for formal proceeding. OCA contended there is "reasonable ground for investigation" within the meaning of Iowa Code § 476.3. According to OCA, the file in this case "raises more questions than it answers, leaving the Board not much closer to understanding who and what caused the difficulties experienced by [Ms. Frahm] than was the case on the day the complaint was filed." (OCA Request for Formal Proceeding, p. 5, ¶ 26.)

OCA stated it appears the problem may have been related to the call routing. OCA contends investigation is needed because the record does not reveal what the call routing was or who the previous underlying carrier was. (OCA Request for Formal Proceeding, p. 5, ¶ 27.) OCA states investigation is needed on the following issues:

- The routing of the calls, the changes made to the routing, and the reasons why Windstream concluded re-routing would improve the likelihood that the calls would complete.
- The performance requirements, metrics, and standards imposed by Windstream on other companies that are carrying the traffic in order to ensure that calls complete.

(OCA Request for Formal Proceeding, p. 5, ¶¶ 27-28.)

OCA argued the fact that a problem is corrected by re-routing is not an adequate solution. OCA urged further investigation to understand the cause of the problem and to identify tools with which to prevent it before it occurs. (OCA Request for Formal Proceeding, p. 6, ¶ 29.)

OCA emphasized that the failure of calls to complete materially affects the health, safety, and welfare of lowans. OCA suggested that an investigation "will contribute to solving the problem, because carriers will know they are being watched, with a view toward enforcement when needed." (OCA Request for Formal Proceeding, p. 6, ¶ 30.)

## **II. Legal Standards**

### **FCC Action**

In 2011, the FCC created a Rural Call Completion Task Force to investigate and address the problem of calls to rural customers which are delayed or fail to connect. The Task Force held a workshop on this issue in October of 2011, and in February 2012, the FCC issued a Declaratory Ruling responding to the issues. The FCC explained it was issuing the ruling in response to requests for action and in response to evidence showing "a pattern of call completion and service quality problems on long distance calls to certain rural areas." The FCC intended "to clarify the scope of the Commission's prohibition on blocking, choking, reducing or restricting telephone traffic." *In the Matter of Developing an Unified Inter-carrier Compensation Regime*, CC Docket No. 01-92, Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135 (Rel. Feb. 6, 2012), "Declaratory Ruling," 27 FCC Rcd. 1351. The FCC clarified that its prohibition against blocking, choking, reducing or restricting telephone traffic extends to routing practices that have the effect of blocking, choking, etc. (Declaratory Ruling, ¶3.) The FCC also clarified that such practices may constitute unjust and unreasonable practices in violation of section 201 of the Communications Act of 1934, as amended (the Act), and/or may violate a carrier's duty to refrain from unjust or unreasonable discrimination in practices, facilities, or services. (Declaratory Ruling, ¶ 4.) Finally, the FCC emphasized that carriers are responsible for the actions of their agents or other persons acting for or employed by the carriers, i.e., underlying providers. (Declaratory Ruling, ¶¶ 4, 15.) The FCC explained that it can take appropriate enforcement action pursuant to its statutory authority, including cease-and-desist orders, forfeitures, and license revocations, against carriers engaging in the prohibited activities discussed in the Declaratory Ruling.

On February 7, 2013, the FCC released a Notice of Proposed Rulemaking, *In re: Rural Call Completion*, WC Docket No. 13-39, FCC 13-18 (Call Completion NPRM). The FCC sought comment on rules to help address problems in completion of long-distance calls to rural customers. Comments and reply comments have now been submitted to the FCC.

The FCC mentioned evidence that retail long-distance providers may not be adequately examining the rural call completion performance that results from use of wholesale call delivery services by intermediate providers employed by the long-distance providers. The FCC stated it intends to "consider measures to improve the Commission's ability to monitor the delivery of long-distance calls to rural areas and aid enforcement action." (Call Completion NPRM, ¶ 3.)

Noting a problem with a lack of data that impedes investigations (NPRM, ¶ 17), the FCC sought comment on reporting and data retention requirements that would give the Commission information about a long distance provider's performance to certain areas. The FCC proposed to adopt rules that would require originating long-distance voice service providers to collect and retain basic information on call attempts and to periodically analyze and summarize call completion and report the results to the Commission." (¶ 17.)

The agency also sought comment on how the burden of compliance with the rules can be minimized, "particularly for originating providers whose call-routing practices do not appear to cause significant call completion problems." (Call Completion NPRM, ¶ 3.)

In the NPRM, the FCC reviewed the steps it has taken so far in response to the call completion problem. The FCC stated it is conducting ongoing investigations of several long-distance providers and addressing daily operational problems reported by rural customers. (¶ 11.) The FCC described the Web-based complaint intake process which allows rural customers and carriers to alert the Commission about call completion problems and instructs them on how to file complaints.

National Association of Regulatory Utility Commissioners (NARUC) representatives sent a letter dated February 11, 2013, to the FCC urging the agency to take immediate action against carriers acting contrary to the FCC call completion Declaratory Order. In the letter, NARUC observed that since the FCC issued the Declaratory Order, the agency had not issued any cease-and-desist orders, forfeitures, license revocations, or fines. The letter noted that "it is not unreasonable to expect enforcement activity in the face of continued and arguably increasing problems." However, since NARUC made the statement about the FCC's enforcement activity, the FCC did take action against a carrier in a call completion complaint. On March 12, 2013, the FCC announced that it had reached a settlement with Level 3 Communications, LLC, resolving an investigation into the company's rural call completion practices. The settlement includes call completion standards and a voluntary contribution to the U.S. Treasury in the amount of \$975,000.

### III. Analysis

Iowa Code § 476.3(1) provides that a public utility shall furnish “reasonably adequate service” in accordance with tariffs filed with the Board. That section also provides, in relevant part, that when the Consumer Advocate files a petition for formal proceeding with the Board, the Board shall grant the petition if the Board determines that “there is any reasonable ground for investigating the complaint.” Reasonable grounds for further investigation exist where there are unanswered questions regarding the precise circumstances of a complaint. This is the first call termination complaint involving Windstream.

Staff believes there are sufficient grounds to open a docket to conduct further investigation into this particular complaint, which involves allegations that calls to Mediapolis did not complete on a consistent basis. Staff does not believe that the record to date provides enough specific information for staff and the Board to fully understand what caused the failures in the first instance and the steps taken by the various providers to prevent recurrence of the alleged completion problems. Staff agrees with OCA that the responses from Windstream have not answered all of the questions that the case presents, namely, what the call routing path was before Ms. Frahm's account was moved to the OTT account and who the underlying carrier was before that change, if, in fact, an underlying carrier was used for that route. Staff anticipates that further investigation will allow the Board to better understand what causes calls to fail to complete and whether carriers in this particular case have adequately responded to the call completion problems.

### IV. Recommendation

Docketing the complaint for further investigation would enable the Board to gather more specific information about Windstream's use of (and standards for) underlying carriers and the extent to which use of certain underlying carriers and routing practices may have contributed to call completion problems in this case. Further investigation may also clarify whether the problems experienced by Ms. Frahm have been permanently resolved. Staff recommends that the Board initiate a formal proceeding to be assigned to the Board's administrative law judge.

#### RECOMMENDATION APPROVED

#### IOWA UTILITIES BOARD

/tgp

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*/s/ Elizabeth S. Jacob*      6-17-13  
Date

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*/s/ Swati A. Dandekar*      6-18-13  
Date

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*/s/ Nick Wagner*      6-17-13  
Date

